

Amendment No. 2 to SB1722

**McNally
Signature of Sponsor**

AMEND Senate Bill No. 1722*

House Bill No. 1977

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. This act shall be known and may be cited as the "TennCare Omnibus Act of 2016".

SECTION 2. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section to be appropriately designated:

In developing or implementing any payment reform initiative involving the use of episodes of care with respect to medical assistance provided under this chapter by the bureau of TennCare or the health care finance and administration (HCFA) of the department of finance and administration, the bureau and HCFA shall report on the use of technical assistance groups of healthcare providers in developing any episode of care. The reports shall include all recommendations made by technical assistance groups throughout the period of implementation of any episode of care. In addition to any other information required in the quarterly report to the general assembly pursuant to § 71-5-104(c), the bureau of TennCare shall summarize in quarterly reports the recommendations of any technical assistance group concerning the payment reform initiative and identify any action taken by the bureau or HCFA to address those recommendations. The bureau and HCFA shall report to the health committee of the house of representatives and the health and welfare committee of the senate by July 1 of each year, beginning in 2016, specifically concerning the use of technical assistance groups, on each recommendation made by those groups, and the response by the bureau or HCFA to each recommendation. This section shall apply to any payment

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reform initiative utilizing episodes of care, including any initiative receiving a state innovation model initiative grant from the federal centers for medicare and medicaid services.

SECTION 3. Tennessee Code Annotated, Section 71-5-1402(g), is amended by deleting the subsection in its entirety and substituting instead the following:

(g)

(1) The long-term care system shall utilize a global budget for all long-term care services for persons who are elderly or who have physical disabilities that allows funding to follow the person into the most appropriate and cost-effective long-term care setting of their choice, resulting in a more equitable balance between the proportion of medicaid long-term care expenditures for institutional, i.e., nursing facility, services and expenditures for home and community-based services and supports.

(2) The bureau of TennCare shall report to the general assembly and shall make available to interested persons a separate accounting of long-term care expenditures for:

(A) Nursing facility services;

(B) Home and community-based services made under the CHOICES long-term healthcare program; and

(C) Employment and Community First CHOICES services, under a waiver amendment to the TennCare II demonstration.

(3) The accounting shall, under subdivision (g)(2), include prior fiscal year actual expenditures and projected current fiscal year expenditures no later than February 1 of each year. Projected upcoming fiscal year expenditures and the percentage of nursing facility services and home and community-based services relative to total expenditures for the CHOICES long-term healthcare program shall be provided by June 30 of each year.

SECTION 4. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is further amended by adding the following as a new section to be appropriately designated:

(a) Pursuant to § 56-2-125(d)(2)(B), and no later than October 1, 2016, the deputy commissioner of finance and administration responsible for the TennCare program shall establish a procedure permitting the following to obtain data sets derived from the all payer claims database through the department authorized to access the database for the purposes authorized in § 56-2-125(b)(1) within available resources of the bureau of TennCare:

- (1) The department of finance and administration;
- (2) The department of health;
- (3) The department of mental health and substance abuse services;
- (4) The department of intellectual and developmental disabilities; and
- (5) Other departments of this state.

(b) Any data retrieved from the database or the managing vendor may only be used for internal purposes of the department. The data shall be confidential and shall not be a public record for the purposes of title 10, chapter 7. If any department seeks to produce reports based upon the data as public documents, then the department shall submit a request for approval of that use of the data to the Tennessee health information committee.

(c) The bureau of TennCare shall submit an annual report to the chairs of the health committee of the house of representatives and the health and welfare committee of the senate that shall describe the nature and purpose of any requests to utilize data from the all payer claims database submitted to the bureau or the health information committee. Any request for data from departments that cannot be provided within existing resources of the bureau shall be identified in this report. The report shall also describe the disposition made by the Tennessee health information committee of each request to utilize the data and shall detail how each member of the committee voted on each request. The bureau shall submit the report by January 15 of each year.

SECTION 5. Tennessee Code Annotated, Section 71-5-143(b), is amended by deleting the language "eleven (11) members" and substituting the language "thirteen (13) members".

SECTION 6. Tennessee Code Annotated, Section 71-5-143(b), is further amended by deleting the second sentence of the subsection and substituting the following language:

The membership of the advisory commission shall include one (1) representative of the advocacy community; the chair of the health committee of the house of representatives, or the chair's designee; the chair of the health and welfare committee of the senate, or the chair's designee; two (2) representatives from the Tennessee business community; and three (3) representatives from the provider community.

SECTION 7. Tennessee Code Annotated, Section 71-5-2401(b)(5), is amended by deleting the subdivision and substituting the following language:

(5) The pharmacy director and medical director of TennCare; the chair of the health committee of the house of representatives, or the chair's designee; and the chair of the health and welfare committee of the senate, or the chair's designee shall serve as ex officio members of the state TennCare pharmacy advisory committee.

SECTION 8. This act shall take effect July 1, 2016, the public welfare requiring it.